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Collective Bargaining and Wage Equalization in Canada's Iron & Steel Industry, 1939-1964

La négociation collective dans l'industriel canadienne du fer et de l'acier : 1939-1964

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Résumé de l'article

Dans sa publication de 1948, *Trade Union Wage Policy*, Arthur M. Ross attirait l'attention autour de l'impact des salaires définis par voie de négociation collective sur les théories traditionnelles de détermination des salaires¹. La raison principale de cet intérêt provient de l'incapacité de la théorie actuelle à fournir des réponses satisfaisantes aux cinq questions suivantes.

1. Comment se fait-il que l'importance du mouvement relatif des salaires soit plus cruciale que le salaire qui en résulte ?
2. Pourquoi les taux de salaires ne sont-ils pas égalisés sur le marché local du travail ?
3. Comment expliquer les fréquents arrêts de travail consécutifs à des différences mineures, pour ne pas dire ridicules entre les parties ?

4. Pourquoi plusieurs syndicats insistent-ils sur l'uniformité du taux de salaire pour toute leur unité de juridiction lorsque la théorie économique suggère qu'en situation de monopole, il est possible de maximiser le revenu en faisant de la discrimination entre les acheteurs ?

5. Pourquoi cet effort par les syndicats de consolider leurs structures de négociation ?

Toutes ces questions reflètent les relations entre les taux de salaire occupationnels ou entre le résultat de deux différentes négociations de salaires. De façon plus globale, elles mettent en évidence le caractère et la fonction de deux tendances « égalisantes » dans la détermination des salaires par négociation collective. Dans la théorie économique traditionnelle, il n'y a pas de réponse à ce problème.

Il y a très peu d'études qui fournissent une réponse satisfaisante malgré tous les travaux qui ont été faits. Cependant, on a beaucoup plus insisté sur l'identification et la description des processus institutionnels qui causent ces tendances « égalisantes ». De façon générale, trois approches sont utilisées :

- a) la coopération entre employeurs² ;
- b) la négociation-type³ ;
- c) l'élargissement des unités de négociation⁴.

Jusqu'à quel point les conclusions présentées pour la situation américaine sont-elles valables pour la négociation collective canadienne ?

L'industrie canadienne du fer et de l'acier fut l'une des industries considérées pour étude du cas canadien. Dans ce cas précis, l'existence de ces tendances « égalisantes » serait le résultat de négociations-type ou de la coopération entre employeurs ; probablement plus le premier facteur que le second. Contrairement au cas américain, l'industrie canadienne du fer et de l'acier n'a connu aucun élargissement d'unité de négociation. Presque toute la négociation dans cette industrie est faite au niveau local.

Quelques conclusions

1. Depuis 1939, la politique de négociation collective des Métallurgistes s'est dirigée vers l'établissement de conventions uniformes à travers l'industrie.

2. Les efforts syndicaux dirigés vers l'uniformisation de l'industrie de l'acier ont été secondés par les contrôles de salaire du gouvernement fédéral durant la dernière guerre.

3. En 1946, les syndicats atteignaient leur objectif d'uniformité des taux de salaire de base et étaient en voie de l'atteindre pour les autres classes d'emploi.

4. La négociation-type d'après-guerre a contribué à conserver l'uniformité acquise durant le conflit mondial.

5. L'effort d'extension de l'uniformité des taux de salaire par le « Coopérative Wage Study Plan » a échoué en 1952. Deux ans plus tard, on obtenait l'uniformité pour des classes similaires d'emploi.

6. Le succès dans l'industrie de l'acier primaire a été le modèle syndical de négociation dans les secteurs de l'acier non-primaire. Cependant le succès fut très limité.

7. L'échec relatif de la tentative d'étendre des unités de négociation dans les industries canadiennes de l'acier primaire et le succès marqué de la négociation-type indiquent qu'il n'y a pas qu'une méthode dont un syndicat puisse se servir pour obtenir l'uniformité dans les conventions collectives.

8. Dans le cas canadien, la négociation est fragmentée mais en même temps on retrouve une grande uniformité entre les différents accords. Il n'y a donc pas de preuve solide à la cause de ceux qui relient directement l'un à l'autre dans l'industrie canadienne de l'acier primaire.

1 Voir les références à l'original anglais.

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Collective Bargaining and Wage Equalization in Canada's Iron & Steel Industry, 1939-1964

Bryan C. Williams

This paper is one in a series being prepared by the Labour-Management Section of the Federal Department of Labour's Economics and Research Branch. It has three purposes. First, to highlight significant developments and characteristics in collective bargaining in the industry. Second, to determine the extent to which wage equalization is present in the industry. Third, to identify the influences that have contributed to these equalizing tendencies.

Introduction and the Problem

In 1948, Arthur M. Ross published his *Trade Union Wage Policy* and thereby initiated a surge of interest in the impact of collectively determined wages on traditional theories of wage determination¹. Ross's re-examination, and studies by scholars which followed in his footsteps, were prompted by the fact that current wage theory provided poor or no answers to five significant questions which arose under collective wage determination.

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¹ Ross, Arthur M., *Trade Union Wage Policy*, Berkeley : University of California Press, 1948, 133 pp.

1. Why is the size of the wage adjustment often more crucial than the amount of the wage which results ?
2. Why are wages rates not equalized in the local labour market ?
In economic theory, the market is the locus of the single price, enforced by competition among buyers and sellers. Under competitive conditions, no buyer will offer more and no seller will accept less.
3. Why is it work stoppages frequently occur when the difference between the parties has been reduced to minute proportions ?
4. Why do many unions insist upon a uniform rate throughout their jurisdiction when economic theory suggests that a monopolist can maximize his income by discriminating among buyers ?
5. Why is it unions often press for consolidated bargaining structures, as represented by multi-union and multi-employer bargaining ?

All of the above questions are concerned with the relationship between one occupational wage rate and another, or between the terms of settlement of one wage bargain and another. Collectively, they focus attention on the character and function of two equalizing tendencies in wage determination under collective bargaining (common wage increases and occupational wage rates). Unfortunately, economic theory does not provide for these equalizing tendencies. It would appear that traditional market forces have no compelling significance.

The years following Ross's publication produced numerous reports by scholars who either attempted to measure the degree to which the equalizing tendencies were present in an industry, or elaborated on institutional processes which brought these tendencies about. Unfortunately, and surprisingly, little significant work was done on measuring the degree to which the tendencies were present in an industry. They are assumed to be present to significant degrees in steel and autos. On the other hand, considerable effort has gone into identifying and describing the institutional processes that brought them about. In general, investigations along this line have followed three approaches :

- a) co-operation among employers² ;
- b) pattern bargaining³ ; and
- c) enlargement of the negotiating unit (e.g., company-wide bargaining, industry-wide bargaining, and multi-employer bargaining⁴).

² For examples :

MCPHERSON, William H., « Co-operation among Auto Managements in Collective Bargaining », *Proceedings, Industrial Relations Research Association*, May 6-7, 1960, pp. 607-614 ;

STIEBER, Jack, « Company Co-operation in Collective Bargaining in the Basic Steel Industry », *Proceedings, Industrial Relations Research Association*, May 6-7, 1960, pp. 614-620 ;

PIERSON, Frank C., « Co-operation Among Management in Collective Bargaining », *Proceedings, Industrial Relations Research Association*, May 6-7, 1960, pp. 621-628.

³ For examples :

LEVINSON, Harold M., « Pattern Bargaining by the United Automobile Workers », *Proceedings, Industrial Relations Research Association*, May 2-3, 1958, pp. 669-674 ;

LEVINSON, Harold M., « Pattern Bargaining : A Case Study of the Automobile Workers », *Quarterly Journal of Economics*, Vol. LXXIV, No. 2, May 1960, pp. 296-317 ;

LOCKS, Mitchell O., « The Influence of Pattern Bargaining on Manufacturing Wages in the Cleveland, Ohio, Labour Market, 1945-1950 », *The Review of Economics and Statistics*, Vol. XXXVII, No. 1, February 1955, pp. 70-76.

MAHER, John E., « The Wage Pattern in the United States, 1946-1957 », *Industrial Labour Relations Review*, Vol. 15, No. 1, October 1961, pp. 3-20 ;

SELTZER, George, « Pattern Bargaining and the United Steelworkers », *The Journal of Political Economy*, August 1951, pp. 319-331 ;

CARPENTER, Walter H. (Jr.) and Edward HANDLER, *Small Business and Pattern Bargaining*, Babson Park, Mass. : Babson Institute Press, 1961, 243 pp ;

STIEBER, Jack, *The Steel Industry Wage Structure*, Cambridge : Harvard University Press, 1959, 379 pp. ;

U.S. DEPARTMENT OF LABOUR, *Collective Bargaining in the Basic Steel Industry*, Washington : U.S. Government Printing Office, 1961, 317 pp.

⁴ For examples :

TILOVE, Robert, *Collective Bargaining in the Steel Industry*, Philadelphia : University of Pennsylvania Press, 1948, 41 pp. (One of a series entitled « Industry-wide Collective Bargaining Series ») ;

BACKMAN, Jules and A. L. GITLOW, « Evolution of National Multi-employer Collective Bargaining », *The Southern Economic Journal*, Vol. XVIII, No. 2, October 1951, pp. 206-218 ;

CHAMBERLAIN, Neil W., « The Structure of Bargaining Units in the United States », *Industrial and Labour Relations Review*, Vol. 10, No. 1, October 1956, pp. 3-25 ;

PETSHKE, Kirk R., « Research on Extent and Scope of Collective Bargaining », *Proceedings, Industrial Relations Research Association*, December 28-29, 1952, pp. 220-231.

It is generally believed that collective bargaining in Canada exhibits the same equalizing tendencies despite the fact that few attempts have been made to either confirm or deny their existence. As a result, such beliefs must be considered as little more than assumptions, or at best, unsupported conclusions. The primary question is : To what extent are the conclusions reached in these United States studies valid for collective bargaining in Canada ?

The Canadian iron and steel products industry was one of the industries selected for a multi-industry study of these equalizing tendencies in Canadian industries. It is an interesting case in that if these tendencies occur, they should be the result of co-operation among employers or pattern bargaining, probably the latter. Unlike the United States industry, Canada's industry has not experienced enlargement of the negotiating unit. Where it has occurred it is limited to company-wide bargaining. Nearly all bargaining in this industry is of a single plant/single local type.

This paper is one in a series being prepared by the Labour-Management Section of the Federal Department of Labour's Economics and Research Branch. It has three purposes. First, to highlight significant developments and characteristics in collective bargaining in the industry. Second, to determine the extent to which wage equalization is present in the industry. Third, to identify the influences that have contributed to these equalizing tendencies.

Developments and Characteristics in Collective Bargaining

COLLECTIVE BARGAINING IN THE CANADIAN PRIMARY IRON AND STEEL INDUSTRY — 1939-1946

Compared to industries such as construction, transportation, textiles, wood products and mining, unionization and collective bargaining in the primary iron and steel industry are relative newcomers. Their late arrival in large measure reflects the difficulties in organizing this industry. Many attempts were made but all failed. However, when effective unionization and collective bargaining was first introduced to the industry in 1940, it spread very quickly. Within six years all major producers were organized and operated under collective contracts. To a considerable degree, the acceptance and character of collective bargaining was the result of government participation in the process during the critical war years 1939-1946.

There were three predominant features which characterized the development of collective bargaining during this eight-year period. First, it was a period of aggressive unionization of a type which in method and

philosophy was in distinct contrast to the AFL groups which prior to 1939 were active in this industry. Second, it was the record of attempts by a highly centralized trade union to impose on the Canadian industry its demands for a) a minimum basic labour rate throughout the industry, b) common rates for similar job classifications throughout the industry, and c) an industry-wide collective bargaining structure. Third, it was an example of how the union's drive to impose these demands on the industry was aided through the Federal Government's war labour policies in the areas of wage setting and dispute settlement.

DEVELOPMENTS TO 1940

Collective bargaining in the Canadian steel industry dates from the Fall of 1940 when the CIO-inspired Steelworkers Organization Committee (SWOC) signed its agreement with the Dominion Steel and Coal Company (Dosco) at Sidney. The successful SWOC campaign was not the first effort to organize Canadian primary iron and steel. During the last quarter of the nineteenth century, the Knights of Labour was active in Canadian steel communities and organized lodges in centres such as Gananoque, Brockville and Hamilton. When the Knights of Labour collapsed, it was succeeded by the Amalgamated Association of Iron, Steel and Tin Workers. It first entered Canada at Algoma's Sault Ste. Marie plant in 1914. By 1919 it boasted 20 lodges in centres such as Sidney, Hamilton, Algoma, Montreal, Toronto, Belleville, London, Winnipeg and Vancouver. However, the postwar depression and several unsuccessful strikes reversed its earlier organization successes and eventually led to the Association's total collapse. During the 1920's and the 1930's, union organization in Canadian steel was almost at a standstill.

In the Fall of 1936, the newly formed Steelworkers Organizing Committee (SWOC) appointed Silby Barrett of the United Mine Workers to head SWOC's organizing drive in Canada. In December 1936, he succeeded in organizing the first local at Dosco's Sidney plant (Local 1064). In January of 1937, a second local was founded at the company's Trenton Works. Supported by a large and united membership and the newly passed Nova Scotia Trade Union Act, the union gained partial recognition by the Summer of 1937. It was not until 1940 that, with the help of a favourable Industrial Disputes Investigation Board report, it concluded an agreement.

Organization at the Hamilton plant of Stelco commenced in the summer of 1937 and for some eight years met with only limited success. Organization of the third major producer, Algoma, commenced in the

winter of 1938 and brought the union greater immediate success than its Stelco efforts. For some time Algoma employees had operated an unaffiliated association and were reluctant to accede to SWOC's invitation to join them. However, by 1940 most of the earlier resistance had been overcome and by a referendum vote the workers elected to join SWOC.

The year 1940 found SWOC with one contract at DOSCO, strongly organized but without contract at Algoma, and very weakly organized at Stelco. However, the union's position soon changed and within two years it had not only tripled its 1940 membership of 15,000 but had also gained recognition and contracts from a large portion of employers in the industry⁵.

THE WARTIME PROGRAM

The reasons for SWOC's rapid wartime successes are not hard to find. The war effort resulted in a sharp increase in steel labour demand and the Government's wartime policies and programs complemented the union's objectives of organization, recognition, and collective bargaining. In addition, leadership changes and concurrently increased financial aid from the International sparked new life into SWOC's Canadian program.

By far the major highlight of the union's collective bargaining efforts during the war years was its incessant drive for an industry-wide basic labour rate of 55 cents an hour, common rates for similar job classifications, and an industry-wide collective bargaining structure (Dosco, Algoma, and Stelco). The initial step in a continuum of steps in this direction was taken by the newly formed union in the Fall of 1939 when it urged the calling of a joint government-employer-union conference to discuss « matters of concern to the industry »⁶. According to a union report the federal Minister of Labour agreed to organize the conference. Dosco, the only operator effectively organized, declined the invitation⁷. Shortly afterward, workers at Dosco, Sidney, voted to enforce their demands for a 6½-cent wage increase in the basic labour rate of 43½ cents an hour, and 8-hour day and 48-hour week, and two weeks vacation after ten years of service⁸. The conciliation board appointed to look into the Dosco,

⁵ For details of developments to this time, see Harold A. LOGAN, *Trade Unions in Canada*, Toronto, The MacMillan Company, 1948, pp. 249-267.

⁶ *Steel Labour*, Vol. IV, No. 12, December 29, 1939, p. 1. (Hereafter referred to as *SL*.)

⁷ *SL*, Vol. V, No. 2, February 23, 1949, p. 1.

⁸ *SL*, Vol. V, No. 4, April 26, 1940, p. 1.

Sidney, dispute took note of the philosophy emerging under the Government's war wage policy and recommended the payment of a bonus tied to the cost of living, an annual contract, an effective 8-hour and 48-hour week, and a grievance procedure⁹. Under the agreement finally reached in September 1940, wages were increased 15 cents per shift and provision was made for a re-opening of wages should the cost of living rise more than 10 per cent¹⁰.

While negotiations were under way at Dosco, the union launched an aggressive organization campaign at Algoma and Stelco¹¹. At Algoma, workers decided in September 1940 to put the question of affiliation with SWOC to a referendum. In late October, workers voted to affiliate their Association with SWOC¹². In December after negotiations and a conciliation board report, Algoma signed its first agreement with SWOC. Wages were increased 2 cents an hour¹³. At Stelco, organizing efforts had only limited success. The union was some years from its first contract with Stelco.

The union's second effort at establishing industry-wide basic rates, common job rates, and industry-wide bargaining was launched at a conference of delegates from Sidney, Trenton, Algoma, and Hamilton held in December 1941¹⁴. Three resolutions adopted by this conference are of importance. First, they decide to «... seek the establishment of nationally standard wages, hours, and working conditions in the basic steel industry» and «... the establishment of a basic rate of at least 55 cents an hour in all steel plants with upward adjustments and standardization of rates for all semi-skilled and skilled occupations¹⁵». In addition, the conference set up a Central Negotiating Committee comprised of delegates from each of the four locals and instructed it to put the above proposals before the newly-established National War Labour Board (NWL¹⁶).

⁹ *SL*, Vol. V, No. 7, July 26, 1940, p. 1.

¹⁰ *Labour Gazette*, Vol. 40, No. 10, October, 1940, p. 1004. (Hereafter referred to as *LG.*)

¹¹ *SL*, Vol. V, No. 6, June 28, 1940, p. 1.

¹² *SL*, Vol. V, No. 9, September 27, 1940, p. 1 and Vol. V, No. 10, October 25, 1940, p. 1.

¹³ *SL*, Vol. V, No. 12, September 27, 1940, p. 1; *LG*, Vol. 40, No. 12, December, 1940, pp. 1236-1237; Vol. 41, No. 4, April, 1941, pp. 469-470.

¹⁴ *SL*, Vol. VI, No. 12, December 19, 1941, p. 1.

¹⁵ *Ibid.*

¹⁶ For Wartime Wage Control Program to July 1943, see Wartime Orders-in-Council Affecting Labour, Department of Labour, Ottawa, 1943.

Lastly, the Committee was also asked to attempt to establish «... wage standards for the various classifications of workers based on the highest rate in the industry or a comparable industry and that no local union bargaining committee sign a contract including a rate lower than the rate set as a standard for any classification before the Central Negotiating Committee has placed the matter before the War Labour Board ».

The National War Labour Board turned down the application and argued that basic steel was a « regional » not a « national » industry. In addition, the Board was not prepared to classify further industries as national until it found out how the present classification system worked out in practice. Following the Board's rejection, SWOC again called for a national conference to discuss jointly « basic steel problems ». Nothing seems to have come of this proposal¹⁷. The union's third effort to institute its bargaining program was taken in March 1942. Faced by a rejection of their claims as a national industry, the Algoma and Dosco locals applied to the Ontario and Nova Scotia regional War Labour Boards respectively for increases in their basic labour rates from the present 50½ cents and 52½ cents an hour to 55 cents an hour in both companies¹⁸. The Nova Scotia Board denied the increase and the Ontario Board granted an equally unsatisfactory compromise¹⁹. Upon hearing of the Board's decision, both locals voted to strike to enforce their demands and urged the federal Minister of Labour to intervene. Following a meeting of the union and the Minister, the Minister recommended that both disputes be referred to a three-member Royal Commission²⁰. On December 28, 1942, the Commission's majority report recommended against any wage increase and the 55-cent an hour basic wage rate. It also held that the question of the classification of basic steel as a national industry was beyond its terms of reference. The minority report, written by the union-appointed member, supported both union requests²¹.

Upon receipt of the Commission's findings on January 9, 1943, both locals proposed to take strike action. On January 12, employees at Dosco, Sidney, walked out. They were followed by Algoma employees on January

¹⁷ *SL*, Vol. VII, No. 1, January 30, 1942, p. 1.

¹⁸ *SL*, Vol. VII, No. 3, March 27, 1942, p. 1.

¹⁹ *SL*, Vol. VII, No. 8, August 28, 1942, p. 1.

²⁰ *SL*, Vol. VII, No. 9, September 25, 1942, p. 1 ; *LG*, Vol. 42, No. 10, October 1942, pp. 1123-1124.

²¹ For a complete review and the text of the reports, see *LG*, Vol. 43, No. 1, January 1943, pp. 53-68.

14. Later, Dosco employees at Trenton walked out in sympathy²². This move again prompted action by the Federal Government and on January 18, at the request of the Prime Minister, a meeting of all parties concerned was held in Ottawa. This meeting and subsequent meetings resulted in a « Memorandum of Understanding » in which the Government agreed to recommend the following actions :

1. That Dosco and Algoma be designated as national employers.
2. That as a national industry a new case could be presented to National War Labour Board.
3. That the case would be heard by the Board headed by a new chairman.
4. That if the men returned to work, the Government would pass an order-in-council fixing 55 cents an hour as the minimum *rate of earnings* at Sidney and Algoma²³.

Four days later, the Government issued Order-in-Council PC/689 which authorized the Minister of Labour and the NWLB to implement the terms set forth in the Memorandum of Understanding²⁴. On March 31, 1943, the NWLB handed down its decisions. It found against declaring the two companies as national employers on the grounds that under revised procedures nothing prevented appeals from regional decisions to the National Board. Wages at both plants were set at 50 cents an hour plus a 9-cent an hour cost-of-living bonus effective March 23, 1943. It also stated that for the duration of the war, basic rates at the plants should not go below 55 cents an hour²⁵.

The union was not completely satisfied with the Board's actions as it felt the terms of the Memorandum had been somewhat watered down, particularly the 55-cent an hour basic wage rate. It was particularly disturbed over the decision not to class basic steel as a national industry²⁶. In July 1943, it went before the Board and requested restoration of differentials in effect before the increase of the basic labour rate to 50 cents an hour and an increase in the basic labour rate to 55 cents an hour. The Board rejected the latter but granted increase of 6½ cents an

²² *SL*, Vol. VII, No. 1, January 22, 1943, p. 1.

²³ For a complete review, see *LG*, Vol. 42, No. 2, February 1943, pp. 191-193 and *SL*, Vol. VIII, No. 2, February 26, 1943, p. 1. (Emphasis supplied. This « rate of earnings » was to cause subsequent problems.)

²⁴ *Ibid.*, p. 193.

²⁵ For text of decision, see *LG*, Vol. 43, No. 4, April 1943, pp. 439-444.

²⁶ *SL*, Vol. VIII, No. 4, April 23, 1943, p. 1 and Vol. VIII, No. 5, May 1943, pp. 8-11.

hour at Dosco's Sidney plant and 4½ cents an hour at Algoma to employees paid above the basic labour rate²⁷. In October 1943, the Board approved rates at Trenton on a par with rates at Sidney²⁸. The effect was to equalize rates in all three mills.

A later Order-in-Council PC-9384 incorporated the 9 cent an hour cost-of-living bonus into the basic labour rate raising the latter to 59 cents an hour at Sidney, Trenton, and Algoma. In February 1944, the Stelco Association voted to join SWOC. Shortly after, the NWLB approved a Stelco request to raise the basic labour rate from 59 cents an hour to 64 cents an hour²⁹. In April 1944, the union, now the United Steelworkers of America (USA), renewed demands for the elimination of wage rate inequalities throughout the basic steel industry. Shortly after, the NWLB approved a request to raise the basic labour rate at Algoma to 64 cents an hour. Sidney and Trenton rates remained at 59 cents an hour³⁰.

After lengthy negotiations and with the support of a favourable conciliation report, the union signed its first agreement with Stelco in April 1945³¹. All three major producers were now under contract with the U.S.A.

From July 1943, when the Board ordered wage equalization for maintenance classes at Sidney and Algoma, and later at Trenton, through to June 1944 the parties had not been able to agree on the method of implementing the Board's decisions. As a result, a Mr. W. V. Ley was appointed by the Board to attempt to assist the parties in implementing the scheme. In April 1945, as a result of Mr. Ley's efforts and on his recommendations, the Board ordered that maintenance jobs at Sidney, Trenton, and Algoma should be paid the same for similar job classifications³². As a result, the basic labour rates and maintenance rates were uniform throughout the Dosco and Algoma complexes, except for the Dosco, Sidney and Trenton basic labour rates which were 5 cents an

²⁷ For terms of application, see *SL*, Vol. VIII, No. 7, July 30, 1943, p. 12. For Board award, see *LG*, Vol. 43, No. 10, October 1943, p. 1346.

²⁸ *SL*, Vol. VIII, No. 10, October 22, 1943, p. 1.

²⁹ *SL*, Vol. IX, No. 2, February 25, 1944, pp. 1-2.

³⁰ *SL*, Vol. IX, No. 4, April 1944, p. 9 and Vol. IX, No. 12, December 22, 1944, p. 4.

³¹ *SL*, Vol. X, No. 4, April 1945, p. 4; *LG*, Vol. 45, No. 1, January 1945, pp. 53-63 and Vol. 45, No. 4, April 1945, pp. 515-516.

³² *LG*, Vol. 45, No. 4, April 1945, pp. 467-468 and Vol. 45, No. 6, June 1945, pp. 822-823 (Algoma) and *LG*, Vol. 45, No. 6, June 1945, pp. 820-821 and Vol. 45, No. 7, July 1945, pp. 955-956 (Dosco).

hour below the Algoma/Stelco rate of 64 cents an hour³³. This order brought to a close the third major effort of the union to establish a uniform basic labour rate and uniform job rates throughout the industry. In November 1945, the union again took the Sidney and Trenton basic labour rates to their regional boards³⁴. Action on this request was not taken 'til late late 1946 and is part of the fourth effort of the union to develop its bargaining program.

The union's fourth move started with a conference of all locals called in February 1946. Postwar demands were set at a basic labour rate in all plants of 84 cents an hour and a 40-hour work week³⁵. Subsequent negotiations with three producers made little headway and with the breakdown of negotiations in June, the locals proposed to take strike action on July 15. At Stelco, negotiations completely collapsed. At Algoma, the company insisted upon preferential treatment. At Dosco, the company pleaded inability to pay³⁶. The stoppage was complete at Dosco and Algoma, but only partially complete at Stelco. On July 16, in the face of this strike action, and a growing government concern over postwar inflation, the Prime Minister appointed Mr. Justice Roach to conduct an inquiry into the three disputes. At the same time, the House of Commons Industrial Relations Committee conducted a similar investigation³⁷. As a result of this inquiry, the parties was urged to come to Ottawa and negotiate with the union. As one union report noted: « Should the companies obey, industry-wide negotiations will have taken place for the first time in the lifetime of Canada's steelworkers »³⁸.

However, the companies did not obey and the union rejected the Federal Government's proposed terms of settlement³⁹. The strike continued into early October⁴⁰. The final settlement brought a wage increase of 13½ cents an hour while the union's demands for the 40-hour work week was dropped. Later, in November 1946 the NWLB granted the Sidney

³³ *SL*, Vol. X, No. 6, June 1945, p. 3. For U.S.A. reactions, see *SL*, Vol. X, No. 7, August 1945, pp. 2, 8, and 11.

³⁴ *SL*, Vol. X, No. 11, November 1945, p. 1.

³⁵ *SL*, Vol. XI, No. 3, March 1945, p. 1.

³⁶ *SL*, Vol. XI, No. 6, June 1946, p. 1 and *LG*, Vol. 46, No. 7, July 1946, pp. 915-916.

³⁷ *SL*, Vol. XI, No. 7, July 1946, p. 1 and *LG*, Vol. 46, No. 8, August 1946, p. 1087.

³⁸ *SL*, Vol. XI, No. 8, August 1946, p. 1.

³⁹ *LG*, Vol. 46, No. 9, September 1946, p. 1240.

⁴⁰ *LG*, Vol. 46, No. 10, October 1946, pp. 1436-1437 and Vol. 46, No. 11, November 1946, p. 1575.

and Trenton workers of Dosco the Algoma/Stelco basic labour rate of 64 cents an hour. This award, together with the 13½ cents an hour gained from strike action, brought uniform basic labour rates and maintenance trades rates at Dosco, Algoma and Stelco⁴¹.

By the winter of 1946, the U.S.A. had not only strongly organized the basic steel industry but also had come a long way in reaching two of its wartime bargaining objectives — and industry-wide basic wage rate and uniform rates for similar job classifications. It had fallen considerably short of its third objective — an industry-wide bargaining structure.

It is doubtful whether the U.S.A. could have come as far towards these objectives had its campaign not coincided with a wartime environment. Most certainly it would have been infinitely more difficult. In any case, wartime wage policies and procedures afforded the union two approaches whereby these objectives could be thrust on a most unwilling group of employers. First, had the union been able to have the industry classified as a national employer, it would have centralized wage setting in one agency, a procedure which tended to complement its bargaining objectives. Second, the ability of the union to call concurrent work stoppages meant that steel production, which was regulated on a « national » basis, could practically be brought to a complete standstill. Paradoxically, while the Government's wage setting procedures were established on a « regional » basis, the Federal Government's dispute settling procedures (and most disputes were over wages) were operated on a « national » basis. As a result, the scope of dispute settling procedures and the terms of settlement such as the Royal Commissions, Ottawa Conferences, the investigations conducted by W. V. Ley, and Justice Roach, and the investigation of the Commons Industrial Relations Committee covered the industry as a whole. As a result, the dispute settling procedures complemented the union's bargaining objectives even though the Government's formal wage setting procedure was « regional » and did not complement these objectives. It is interesting to note that most of the steps taken towards these objectives were the product of federal intervention preceding or during a work stoppage.

Is Postwar Bargaining Present in the Industry?

POSTWAR BARGAINING IN CANADA'S BASIC STEEL INDUSTRY

The removal of the Federal Government's wartime wage control procedures and the return of jurisdiction of dispute settlement from the

⁴¹ *LG*, Vol. 47, No. 3, March 1947, p. 361.

federal to the provincial governments precipitated pronounced changes in the course of postwar bargaining in basic steel. As a corollary, and as would be expected, the further advance towards the union's three wartime bargaining goals was considerably diminished largely as a result of the shift in dispute settlement to local jurisdiction. An editorial in the union's paper *Steel Labour* amply stated the union's bargaining position at the end of the 1946 strike.

« Three important principles were reaffirmed in the strike settlement. One, that the wages in Canada's basic steel are to remain standard. Two, that the industry must be treated as a single unit rather than as three separate units. . . . three, arbitrary rulings made independently of labour by government and employees are not going to be effective any longer. . . . only basic steel has the political as well as the economic effort necessary to change government policy ». ⁴²

During the war years, bargaining objectives of the union were centred in basic steel and were focussed on a narrow front-wage standardization and industry-wide bargaining. During the postwar years the union's objectives not only became centred on parts of the industry other than basic steel, but also became focussed on a much wider front. Basically stated, postwar objectives 1) reaffirmed the 1939-1946 basic steel policy, 2) sought the « levelling up of fabricating rates to rates in basic steel », and 3) sought company-wide bargaining structures and agreements ⁴³. These objectives are worthy of more detailed examination. In basic steel, the union had three major objectives : first, to hold onto its gains made during the war, particularly wage standardization and consolidated bargaining structures ; second, to further these objectives ; third, to place increased emphasis on non-direct wage items such as hours, pensions, union security, vacation, paid holidays, shift differentials, employee welfare, and job protection.

The main device selected to attain the second objective was the use of a co-operative wage survey plan in each plant. This plan which provided for a joint labour-management job evaluation system, had been introduced in 1947 to the United States basic steel industry. A second device was the development of pattern bargaining in the industry. Under this approach, the newly negotiated terms of a contract formed the standard for all contracts which were subsequently negotiated.

⁴² Editorial, *SL*, Vol. XI, No. 11, November 1946, p. 5.

⁴³ For details, see : Summary of 1947 Wage Policy Conference, *SL*, Vol. XII, No. 3, March 1947, p. 1.

In sections of the industry other than basic steel (usually referred to as the fabricating sections), the union pursued five major objectives :

- 1) to extend its organization and collective bargaining to the fabricating sections of the industry ;
- 2) the development of company-wide bargaining structures and agreements under which substantially the same contract terms applied to each establishment in the company ; (The best example of this was the union's success with General Steel Wares and Dominion Bridge.)
- 3) the development of company-wide bargaining structures and agreements for basic steel producers, such as Dosco and Stelco, which also operated fabricating plants ;
- 4) the « levelling up of fabricating job rates to the levels in basic steel » ; and
- 5) the application of the co-operative wage survey plan and the basic steel settlement pattern to the fabricating sections of the industry. ⁴⁴

POSTWAR TRENDS IN BASIC STEEL COLLECTIVE BARGAINING ⁴⁵

Attempts to Enlarge the Negotiating Units

The union fully realized the implications of the return of dispute settlement procedures to provincial jurisdiction to its objective of industry-wide bargaining. It took several steps in this direction during 1947, 1948 and early 1949, but with the passage of the Industrial Relations Disputes Investigation Act in 1948 it seems to have realized the difficulties and efforts along this line noticeably decreased. In its place rose demands for company-wide negotiations.

In November 1947, National Director C. H. Millard called for a tripartite conference « . . . to prevent dislocation in the industry when contracts come up for renewal » ⁴⁶. Nothing came of his appeal. During 1947 and 1948, numerous appeals were made by the union to have its

⁴⁴ Since this paper is concerned primarily with basic steel, these objectives in the fabricating sections will receive limited attention.

⁴⁵ The Negotiating Unit is a decision-making unit through which the private parties in an industrial relations system negotiate or bargain over changes in the substantive terms of their collective agreements.

See : Alton W. CRAIG. « *The Structure of Collective Bargaining in Canada* ». Department of Labour. Economics and Research Branch. June 20, 1965. (Mimeographed), pp. 7-10.

⁴⁶ *SL*, Vol. XII, No. 12, December 1947, p. 1.

industry covered by the Industrial Relations Disputes Investigation Act ⁴⁷. One of the last efforts was made at the National Policy Conference of February 1949 when it again urged the « Big Three » to meet with the union to work out a « ... national formula for wages and contract changes » ⁴⁸. Shortly after, the steel producers turned down the request on the grounds that such a scheme was quite unworkable because « ... conditions vary widely as between plants » ⁴⁹. On a number of occasions the union asserted that Algoma and Dosco appeared interested in the idea but Stelco's adamant refusal scrapped the scheme ⁵⁰.

Despite the complete failure of attempts to establish an industry-wide basic steel structure, attempts at establishing company-wide negotiating structures for producers also operating fabricating plants made considerable progress. One of the first moves along this line was taken by Stelco locals in February 1947. At a meeting of representatives from all Stelco locals, it was agreed not only to present common demands at negotiations but also to urge the development of a company-wide negotiating structure and a single master agreement. Plants represented included Hamilton Works, Ontario Works, Canada Works, Brantford Works, Swanswea Works, Gananoque Works and the company's two Montreal plants ⁵¹. In 1948, these objectives were reaffirmed and a National Advisory Committee was established to co-ordinate efforts ⁵².

Union efforts at establishing an industry-wide basic steel negotiating structure and company-wide negotiating structures met with only limited success. However, it must be realized that the union's purpose in developing these structures was to provide a basis for establishing uniform contract provisions throughout the industry. Since a change in the negotiating structure could not be implemented in the industry, the union pursued alternative methods which were designed to achieve the same ends — pattern bargaining and the co-operative wage survey plan (CWSP). Through pattern bargaining, the union has been able to reach its objective of uniformity in contract changes and through the CWSP it has been able to reach its objective of industry-wide uniform wage rates for similar jobs.

⁴⁷ For example, see : *SL*, Vol. XII, No. 7, July 1947, p. 1 and Vol. XIII, No. 8, August 1948, p. 3.

⁴⁸ *SL*, Vol. XIV, No. 3, March 1947, p. 1 and p. 11.

⁴⁹ *SL*, Vol. XIV, No. 4, April 1949, p. 1.

⁵⁰ For example, see : *Ibid*.

⁵¹ *SL*, Vol. XII, No. 3, March 1947, p. 12.

⁵² *SL*, Vol. XIII, No. 1, December 1948, p. 1.

Pattern Bargaining ⁵³

One of the first trends evident in postwar negotiation was the establishment of pattern bargaining. This practice appears to have been first used in the 1948 negotiations ⁵⁴. The agreements negotiated at the three firms subsequent to the strike of 1946 all expired on April 1, 1948. Negotiations to renew these agreements were started with Algoma in August 1947 and were followed by negotiations at Stelco and Dosco. Major demands in all three cases were a weekly wage rate of \$45 and a work week of 40 hours. Under the 1946 contract, the basic wage rate was 77½ cents an hour and the work week was 48 hours.

By February 1948, negotiations at Algoma and Dosco had totally collapsed and the parties had adopted an attitude of « wait and see that happens at Stelco » ⁵⁵. In March 1948, Stelco reached an agreement and the terms of settlement were subsequently adopted in the Algoma and Dosco agreements. The basic labour rate was increased by 11½ cents an hour to 94 cents an hour (\$45.12 per week) and statutory paid holidays were increased from three to six. The work week remained at 48 hours. Algoma signed in April and Dosco signed in May ⁵⁶.

This 1948 agreement saw the establishment of the practice of « pattern bargaining » in Canada's basic steel industry. The technique has not only been consistently followed in subsequent negotiations but the union has repeatedly attempted, and with some success, to use the basic steel settlement as a pattern in other sections of the industry under the union's jurisdiction. In most cases, the union considered the Stelco settle-

⁵³ Pattern bargaining is defined here as the process whereby the substantive changes agreed upon in one negotiating unit subsequently become consciously incorporated into the substantive changes agreed on in other negotiating units.

See : Alton W. CRAIG. « *The Structure of Collective Bargaining in Canada* ». Department of Labour. Economics and Research Branch. June 20, 1965. (Mimeographed), pp. 12-18.

⁵⁴ It may be argued that pattern bargaining was established during the war years. However, in the opinion of the writer, this was not so much pattern bargaining as industry-wide bargaining in that the industry was treated as a whole under the Federal Government's dispute settlement policies. Voluntary following of earlier contract settlement did not occur until after the war. Pattern bargaining offers management the alternative to freely follow or not to follow. This alternative was not available under federal dispute settlement policy. Wage controls were lifted on November 30, 1946.

⁵⁵ *SL*, Vol. XII, No. 5, May 1947, p. 1 and Vol. XII, No. 11, November 1947, p. 1.

⁵⁶ *SL*, Vol. XIII, No. 5, April 1948, p. 1.

ment as the « key » or « leader » settlement⁵⁷. However, this was not true in all cases.

Probably the best test of the union's ability to impose the pattern was exhibited in 1949 negotiations. In April 1949, Stelco had offered 10 cents an hour, reduction in hours from 48 to 44, two more paid holidays (total of eight), and improved vacations. Dosco had offered six cents an hour across-the-board. Algoma rejected the union's insistence on the Stelco offer on the grounds of inability to pay and took negotiations to a conciliation board. Shortly after, the union accepted the Stelco offer and Dosco subsequently followed. At the conciliation board the union argued that the wartime-established wage uniformity should be protected. In post-conciliation negotiations, Algoma settled on the same terms as Stelco and Dosco⁵⁸. The following review of settlements from 1950 to 1964 illustrates the uniformity established in subsequent contracts⁵⁹.

1950 Negotiations :

Leader — Stelco — wages increased 8 cents an hour across-the-board ; hours reduced to 40 ; basic labour rate \$1.12 an hour ; wage reopener ; and two-year contract.

Follower — Algoma — wages increased 8 cents an hour across-the-board ; hours reduced to 40 ; basic labour rate of \$1.12 an hour ; wage reopener ; and two-year contract.

Dosco — wages increased 2½ cents an hour plus 12½ % July 1, 1951 ; hours gradually reduced to 40 ; basic labour rate \$1.06½ an hour ; and two-year contract.

1951 Negotiations (wage reopener) :

Algoma — wage increases ranging from 15 to 20 cents an hour ; basic labour rate \$1.27 ; company accepts co-operative wage survey plan ; first application of plan to basic steel in Canada.

Stelco — wages increased from 10 to 13 cents an hour ; basic labour rate \$1.22 an hour.

⁵⁷ *SL*, Vol. XIII, No. 5, May 1948, p. 1 ; June 1948, p. 4, and *LG*. Vol. 48, No. 5, May 1948, p. 416.

⁵⁸ *SL*, Vol. XIV, No. 5, May 1949, p. 1.

⁵⁹ *SL*, Vol. XIV, No. 6, June 1949, p. 1 ; Vol. XIV, No. 8, August 1949, p. 3, and Vol. XIV, No. 9, September 1949, p. 1.

1952 Negotiations :

Leader — Stelco — basic labour rate set at \$1.43½ an hour ; co-operative wage survey plan introduced ; 4 cents an hour increment between job classes ; shift differential increased from 3-5 to 5-7 ; and wage reopener.

Followers — Algoma — terms identical to Stelco.

Dosco — labour rate set at \$1.40½ an hour ; 3 cents an hour effective in 1953 rather than wage reopener with guarantee that company will meet any increases granted by Stelco and Algoma ; rest of terms identical.

1953 Negotiations (wage reopener) :

Stelco and Algoma grant 5 cents an hour across-the-board ; basic labour \$1.48½ an hour.

1954 Negotiations :

Dosco grants complete uniformity with Algoma and Stelco rates ; result of a 5-cent across-the-board increase plus rates worked out under the CWSP ; basic labour rate \$1.48½ an hour ; union claims that « . . . for the first time in the history of the United Steelworkers . . . the men in Canada's three basic steel plants will be paid the same rates for the same jobs » . ; two-year agreement.

1955 Negotiations :

Stelco settles for 7-20 cents an hour ; increment increased to 4½ cents ; basic labour rate \$1.55½ ; shift differential from 5-7 to 6-8 ; *Algoma* settles on slightly different terms : 5 cents an hour across-the-board ; increment from 4 to 5 ; and basic labour rate \$1.53½ an hour.

1956 Negotiations :

Dosco settles first : 8 cents an hour across-the-board ; basic labour rate \$1.56½ an hour ; increment from 4 to 5 ; and shift differential from 5-7 to 6-8.

Stelco and Algoma settle on identical terms : 10 cents an hour in 1956, 8 cents an hour in 1957 ; basic labour rates at Stelco \$1.65½ and \$1.73½ an hour ; at Algoma, \$1.63½ and \$1.71½ an hour ; Stelco increment up to 5 and 5½ and 5½ and 6 at Algoma ; shift differential increased from 6-8 to 7-9 ; two-year agreement.

1957 Negotiations :

Dosco wages increased 16 cents an hour ; basic labour rate \$1.67½ an hour or 6 cents an hour below *Stelco* and *Algoma* ; increment increased from 5 to 5½ ; shift differential from 6-8 to 7-9 ; wages increased 7 cents an hour in 1958 plus any increase needed to hold *Dosco*/*Stelco*-*Algoma* differential at 6 cents an hour.

1958 Negotiations :

Leader — *Algoma* — wages increased 7 cents in 1958, 7 cents in 1959 and 10 cents in 1960 ; welfare and vacation plans improved ; basic labour rate \$1.95½ an hour.

Follower — *Stelco* — wages increased 5 cents in 1958 and increment increased from 5.5 to 5.6 ; 7 cents an hour in 1959 and increment increased to 5.8, 10 cents in August 1960 and increment increased to 6 cents ; basic labour rate \$1.95½ an hour in 1960.

1959 Negotiations :

Dosco — wages increased 5 cents in 1959, 10 cents in 1960, and 6 cents in 1961 ; increment increased from 5½ to 6 cents in 1960 ; company again agrees to maintain 6 cents differential in *Dosco*-/*Stelco*-*Algoma* rates.

1961 Negotiations :

Leader — *Algoma* — wages increased 4 cents in 1961, 5 cents in 1963 ; basic labour rate \$2.05 in 1963 ; increment increased from 6 to 6½ cents.

Follower — *Stelco* — wages increased 4½ cents in 1961, 5 cents in 1963 ; basic labour rate \$2.05 an hour in 1963 ; increment increased from 6 to 6½ cents.

1963 Negotiations :

Dosco — wages increased 4½ cents in 1964 ; basic labour rate \$2 an hour in 1964.

1964 Negotiations :

Leader — *Stelco* — wages increased 10 cents in August 1964, 5 cents in August 1965 ; increment increased from 6.5 to 6.7 cents and shift differential from 7-9 to 9-11.

Follower — Algoma — settles on terms identical to Stelco.

As noted above, the terms of settlement with Algoma and Stelco have been practically identical since the 1949 negotiations⁶⁰. In cases where there was slight deviation, such as in 1951 and 1955, such deviation was the result of attempts to equalize job rates between the two firms. As noted above, the 1954 negotiations had produced identical job rates in all three plants. From 1949 to 1956, Dosco settled on almost identical terms as Stelco/Algoma. In the 1957 negotiations, Dosco appears to have broken out of the Stelco/Algoma pattern. It was in these negotiations that it was agreed that Dosco would maintain a 6-cent per hour differential below the Stelco/Algoma rates. This agreement was renewed in 1959. However, in 1961 negotiations this differential maintenance appears to have been broken as the differentials have widened considerably since that time. Presently, the basic labour rate at Dosco is \$2 an hour compared with \$2.20 an hour at Stelco/Algoma.

⁶⁰ Settlements extracted from *SL* :

1950 : Vol. XV, No. 4, April 1950, p. 1 ; Vol. XV, No. 5, May 1950, p. 1 ; Vol. XV, No. 6, June 1950, p. 1 ; Vol. XV, No. 7, July 1950, p. 1 ; Vol. XV, No. 8, August 1950, p. 1, and Vol. XV, No. 10, October 1950, p. 1.

1951 : Vol. XVI, No. 8, August 1951, p. 1 ; Vol. XVI, No. 8, August 1951, p. 11, and Vol. XVI, No. 10, October 1951, p. 1.

1952 : Vol. XVII, No. 4, April 1952, p. 1 ; Vol. XVII, No. 7, July 1952, p. 1 ; Vol. XVII, No. 8, August 1952, p. 1 ; Vol. XVII, No. 9, September 1952, p. 1, and Vol. XVII, No. 11, November 1952, p. 1.

1953 : Vol. XVIII, No. 6, June 1953, p. 1 ; Vol. XVIII, No. 8, August 1953, p. 3 ; Vol. XIX, No. 2, February 1954, p. 1 ; Vol. XIX, No. 6, June 1954, p. 1 ; Vol. XIX, No. 8, August 1954, p. 1 ; Vol. XIX, No. 9, September 1954, p. 1, and Vol. XIX, No. 12, December 1954, p. 1.

1954 : Vol. XX, No. 1, January 1955, p. 5.

1955 : Vol. XX, No. 4, April 1955, p. 2 ; Vol. XX, No. 5, May 1955, p. 2 ; Vol. XX, No. 8, August 1955, p. 4, and Vol. XX, No. 9, September 1955, p. 4.

1956 : Vol. XXI, No. 3, March 1956, p. 1 ; Vol. XXI, No. 7, July 1956, p. 1, and Vol. XXI, No. 9, September 1956, p. 1.

1957 : Vol. XXII, No. 8, August 1957, p. 3.

1958 : Vol. XXIII, No. 3, March 1958, p. 2 ; Vol. XXIII, No. 6, June 1958, pp. 8 and 9 ; Vol. XXIII, No. 10, October 1958, p. 1 ; Vol. XXIII, No. 11, November 1958, pp. 1 and 3, and Vol. XXIII, No. 12, December 1958, p. 2.

1959 : Vol. XXIV, No. 11, November 1959, p. 3.

1961 : Vol. XXVI, No. 2, February 1961, p. 1 ; Vol. XXVI, No. 7, July 1961, p. 1 ; Vol. XXVI, No. 11, November 1961, p. 14 ; Vol. XXVII, No. 1, January 1962, p. 1, and Vol. XXVII, No. 2, February 1962, p. 1.

1963 : Vol. XXVIII, No. 9, September 1963, p. 1.

1964 : Vol. XXIX, No. 9, September 1964, p. 1 ; Vol. XXX, No. 1, January 1965, p. 1, and Vol. XXX, No. 3, March 1965, p. 3.

The Co-operative Wage Study Plan

In the 1951 negotiations with Algoma, the union succeeded in introducing its Co-operative Wage Study Plan⁶¹. This job evaluation plan had been developed in the United States basic steel industry beginning in 1947. It had been developed jointly by industry and union officials after the War Labour Board in 1944 had directed the industry to describe, classify, and group its jobs. The plan had enjoyed considerable success from both points of view⁶². In Canada the introduction of the plan differed in that it was not so much a case of jointly developing a plan as it was a case of jointly making the already developed plan work. The plan was introduced to Stelco and Dosco in the negotiations of 1952. As would be expected, this plan went a long way in equalizing job rates in all three plants. As noted earlier, this union objective was realized in 1954 negotiations.

In each case the plan was worked out by a six-member committee, three from the union and three from management. At first, the plan was applied only to maintenance jobs. Later (1954), it was applied to all job classes. The first step in applying the plan was the preparation of a job description. Once the description was accepted by both parties, it was fed into a job evaluation plan for evaluation. The evaluation plan used included ten factors grouped under three headings: skill factors, responsibility factors, and effort factors. Each of the ten factors was assigned a point value range with the responsibility factors receiving the highest maximum values. For each job the appropriate values for each factor was identified and the sum of these values represented the classification value of the job. The jobs were then grouped into 30 job classes with Job Class 1 being the basic labour classification. The wage rate assigned each classification was determined by adding to the basic labour rate the increments by which the classification exceeded the Class 1 rate. For example, with a basic labour rate of \$1.40 an hour and an increment of 1½ cent, a Class 5 job would receive \$1.46 an hour⁶³.

Subsequent negotiations concerning the CWSP focusses on determining the increment between job classes. When first introduced, the

⁶¹ Contract provisions applying at each firm from 1948-1965 are given in Appendix A, Table 1.

⁶² *SL*, Vol. XVI, No. 10, October 1951, p. 1.

⁶³ The introduction of this plan and its impact on the industry's wage structure was examined in depth in Jack Steiber's, *The Steel Industry Wage Structure - A Study of the Joint Union-Management Job Evaluation Program in the Basic Steel Industry*. Harvard University Press, Cambridge, 1959, 380 p.

increments were set at 4 cents an hour at all three plants⁶⁴. By 1964, the increment had increased to 6.7 cents an hour at Stelco/Algoma and 6 cents an hour at Dosco.

The union's objective has always been to establish an increment equal to that applied in the United States plants. As a result, the movement of the differential has not been uniform within the Canadian « Big Three » plants. The consequences of this objective have also contributed to the slight deviations in across-the-board increases in instances where wage increases were taken in increment adjustments rather than across-the-board adjustments. It will be noted that under this plan a small difference in increments can make a large difference in job rates. This diversity in movement will be noted below in Table 1.

TABLE I
Increments Under Co-operative Wage Survey Plan — 1952-1964

Year	FIRMS		
	Algoma c/hr.	Stelco c/hr.	Dosco c/hr.
1952	4	4	4
1955	5	4½	4
1956	5½	5	5
1957	6	5½	5½
1958	6	5.6	6
1959	6	5.8	6
1960	6	6	6
1963	6½	6½	6
1964	6.7	6.7	6

The foregoing review has attempted to highlight the significant developments in collective bargaining in Canada's basic steel industry during 1939-1964. Unfortunately, time has not permitted an examination of the impact of the developments in basic steel on the other sections of Canada's iron and steel industry, particularly fabrication, structures, and bridges. However, a few generalizations have been noted. First, after World War II the union set out to raise the wage level of « non basic steel sections » up to the levels attained in basic steel. Second, in a few instances

⁶⁴ For details on plan, see : *LG*, Vol. 52, No. 9, September 1952, p. 1166 ; or Steiber, *op. cit.* Chapter II.

(Dominion Bridge and General Steel Wares are examples) the union succeeded in using the settlement in basic steel as the pattern for settlement in other sections of the industry. However, data discussed in Part III of this paper indicate that the basic steel settlement was seldom the pattern for settlement in other sections. Third, the co-operative wage survey plan was extended to « non-basic steel sections » of the industry, particularly steel fabricating firms. It was applied in all fabricating plants of Stelco in 1952 ⁶⁵.

Equalizing Tendencies

Although it is generally held that wage equalization occurs in the Canadian iron and steel products industry, no attempts have been made to empirically determine its existence or character. It could be that, since it is generally held to exist in the United States industry, it is assumed to exist in the Canadian industry also.

As noted earlier, published studies give little indication as to how the wage equalizing tendency is to be identified or measured. In addition, it is not often clear just exactly what it is that is being equalized. Some studies mean by equalization « the tendency of occupational wage differentials between plants in an industry to narrow ». In other cases, equalization means « the tendency of negotiated wage increases to be the same among all firms within the industry ». In this study it was decided to adopt the second definition if for no other reasons than it is the easiest to handle and reliable data are readily available.

Any attempt to measure this equalizing tendency must find solutions to two major groups of problems. First, the problems associated with obtaining reliable detailed data on contract changes. Second, the problems associated with comparing changes in one contract with another. As a result of the second problem, examination of changes was limited to wage changes. The specific problem then was to determine the extent to which negotiations in the industry produced common wage changes. The attempt to measure the tendency was conducted under the following concepts and definitions.

Wage Increase Equalizing Tendency — A term used to describe the tendency of negotiated wage changes in an industry to « group » or « cluster » around a common wage increase.

⁶⁵ When first introduced at Algoma in 1951, the increment was set at 3½ cents, but this was changed to 4 cents when it was introduced to Algoma and Dosco in the following years.

Measurement of Degree of Tendency — A wage increase equalizing tendency exists when 40 per cent or more of the negotiating units in the industry or 40 per cent or more of the employees covered by contracts in an industry received the same wage increase in a given year. If from 40-60 per cent of the negotiating units/employees receive the same wage increase, the tendency is said to be « weak ». If from 61-80 per cent of the negotiating units/employees receive the same wage increase, the tendency is said to be « strong ». If from 80-100 per cent of the negotiating units/employees receive the same wage increase, the tendency is said to be « very strong ».

Wage Increase — Increase granted across-the-board, or equivalent.

Canadian Iron and Steel Industry — This group of industries is one of several major industrial groupings used in the Standard Industrial Classification Manual. The 14 specific industries included are given in Table II.

TABLE II

Industries Included in «Iron and Steel Products Industry»

1. Agricultural Implements	8. Machinery, Household, Office & Store
2. Boiler & Plate Works	9. Machine Tools
3. Bridge & Structural Steel Work	10. Machinery, N.E.C.
4. Hardware, Tools & Cutlery	11. Primary Iron & Steel
5. Heatings & Cooking Apparatus	12. Sheet-Metal Products
6. Iron Castings	13. Wire & Wire Goods
7. Machine Shops	14. Miscellaneous Iron & Steel

Negotiating Unit — The decision-making unit through which the private parties in an industrial relations system negotiate or bargain over changes in the substantive terms of their collective agreements. The vast majority of negotiating units in this industry are of a single plant/single local type.

Data were provided from two major sources. First, the Department of Labour's contract files on negotiating units employing 500 or more employees. These files provided contracts for the period 1959-1964. Second, reports on contract settlements appearing in the United Steelworkers' paper, *Steel Labour* (Canadian edition) and the *Labour Gazette*. These reports cover the period 1948-1964. Results based on the contract file data are summarized in the following paragraphs. The data supplied from *Steel Labour* (Canadian edition) and *Labour Gazette* are still being processed. Results will be reported in a supplemental paper.

Results Using Contract File Data — Examination of the contract files revealed that data on wage increases were available for 26 of the negotiating units in the industry during the period 1959-1964. These negotiating units provided the sample upon which the analysis tendency

was drawn. Only negotiating units covering 500 or more employees were included in the sample. As a result, 9 of the 14 specific industries were not included in the sample. Characteristics of the sample are given in Table III.

TABLE III
Characteristics of Sample — Iron & Steel Products Group

<i>Section of Industry Represented</i>	<i>No. of Establishments</i>		<i>No. of Employees</i>	
	<i>In Sample</i>	<i>In Industry</i>	<i>In Sample</i>	<i>In Industry</i>
Primary Iron & Steel	7	49	19,640	29,203
Agricultural Machinery	3	71	9,750	10,557
Iron Castings	5	184	3,770	12,884
Machinery, N.E.C.	5	373	4,050	16,128
Sheet-Metal Products	6	490	7,170	15,694
TOTAL	26	1,167	44,380	84,466

In summary, the sample included 53 per cent of the production employees in the five industries represented in the sample and 30 per cent of the 146,086 production employees in the iron and steel products industry⁶⁶. Unionization of production employees is believed to be approximately 68 per cent for the industry group. As a result, the sample includes 45 per cent of unionized production employees in the industry.

The data on wage increases provided from the contracts in the sample, and the application of the measurement criteria noted above, produced the results which are summarized in Table IV. The conclusions drawn from the data are as follows :

1. There is no firm evidence of wage increase equalization in the iron and steel industry as a whole when examined on a « negotiating unit » or « employees affected » basis. In no year did the per cent of employees or per cent of negotiating units under a common wage increase exceed 50 per cent. However,
2. there is strong evidence of wage increase equalization within the basic steel section, although it is confined to Stelco (Hamilton and Montreal), Algoma, and until recently, Dosco at Sydney. This equalization is the result of pattern bargaining. Although these firms accounted for only 57 per cent of the negotiating units, they employed over 71 per cent of the employees in the sample. In only two years, did other negotiating units participate in the pattern.

⁶⁶ *SL*, Vol. XVII, No. 12, December 1952, p. 4.

TABLE IV

Extent of Wage Patterns in Canadian Iron & Steel Products Group, 1959 - 1964

Group or Section	Year	Pattern	Pattern Wage Increase	Employees Under Pattern	Strength of Pattern	No. of Firms	
						In Pattern	Not in Pattern
Iron & Steel Products Group	1959	Yes	7¢	47.5%	weak	11	15
	1960	Yes	10¢	43.0%	weak	6	20
	1961	No					
	1962	Yes	4¢	42.1%	weak	6	20
	1963	Yes	5¢	49.2%	weak	11	15
	1964	No					
Primary Iron & Steel	1959	Yes	7¢	81.4%	very strong	5	2
	1960	Yes	10¢	87.1%	very strong	4	3
	1961	Yes	4½¢	71.3%	strong	3	4
	1962	Yes	4¢	71.2%	strong	3	4
	1963	Yes	5¢	80.1%	very strong	5	2
	1964	Yes	10¢	71.3%	strong	3	4
Agricultural Machinery	1959	No					
	1960	No					
	1961	Yes	6¢	86.7%	very strong	2	1
	1962	Yes	6¢	77.9%	strong	2	1
	1963	Yes	6¢	77.9%	strong	2	1
	1964	No					

TABLE IV (Continued)
Extent of Wage Patterns in Canadian Iron & Steel Products Group, 1959 - 1964

<i>Group or Section</i>	<i>Year</i>	<i>Pattern</i>	<i>Pattern Wage Increase</i>	<i>Employees Under Pattern</i>	<i>Strength of Pattern</i>	<i>No. of Firms In Pattern Not in Pattern</i>	
Iron Castings	1959	Yes	7¢	55.7%	weak	2	3
	1960	Yes	4¢	55.7%	weak	2	3
	1961	Yes	4¢	70.1%	strong	2	3
	1962	No					
	1963	No					
	1964	Yes	7¢	55.7%	weak	2	3
Machinery N.E.C.	1959	Yes	7¢	49.4%	weak	3	2
	1960	No					
	1961	No					
	1962	No					
	1963	Yes	5¢	82.2%	very strong	4	1
	1964	No					
Sheet Metal Products	1959	No					
	1960	Yes	3¢	45.3%	weak	2	4
	1961	Yes	7¢	49.8%	weak	3	3
	1962	Yes	7¢	53.7%	weak	3	3
	1963	Yes	3¢	41.4%	weak	2	4
	1964	Yes	6¢	81.6%	very strong	4	2

3. There is little evidence of wage increase equalization within the other four sections of the industry which fell under the scope of analysis.
4. There is some evidence that the pattern settlement of the « Big Three » basic steel producers is used as the basis for settlements reached in « non-basic-steel » sections. This is particularly true where basic steel producers operate plants which had negotiating units in the other four sections.

Table IV shows a strong and consistent tendency towards wage increase equalization in the basic steel section of the industry. In each year, at least 71 per cent of the employees in the sample received the same wage increases.

Tendencies are evident, although much weaker and less consistent in sheet-metal products (five out of six years), iron castings (four out of six years), and iron and steel products group (four out of six years). There is little tendency and consistency in agricultural machinery (three out of six years), and machinery, n.e.c. (two out of six years).

It should be noted that enlargement of the bargaining unit is not a characteristic of collective bargaining in this industry. As a result, what tendencies there are should be the result of either co-operation among employers or pattern bargaining. Evidence advanced earlier seems to support pattern bargaining.

Wage increases received by each negotiating unit during 1958-65 are given in Table A, Appendix B.

The main contributors to the strong and consistent tendency in the basic steel section were Stelco, Hamilton (9,000 employees), Stelco, Notre Dame (850 employees), and Algoma, Sault Ste. Marie (6,000 employees). The 7-cent and 10-cent patterns of 1959 and 1960 were initiated by the Stelco agreement of November 6, 1958. Similar wage increases were adopted in the Stelco, Notre Dame, agreement of January 5, 1959 and the Algoma agreement of October 17, 1959. The 4½-cent, 4-cent, and 5-cent patterns of 1961, 1962 and 1963 were established by the Algoma agreement of December 1961. Stelco, Hamilton, followed on January 23, 1962 and Stelco, Notre Dame, followed on February 2, 1962. The 1964 and 1965 patterns of 10 cents and 5 cents were initiated by Stelco on January 6, 1965 and were followed by Stelco, Notre Dame, on January 21, 1965 and Algoma on February 1, 1965. It would appear that these three negotiating units have adopted pattern bargaining on wage increases with the lead alternating between Stelco, Hamilton, and Algoma. Stelco, Hamilton, led in two of the three agreements signed between 1958 and 1965. Algoma led in one agreement.

The remaining four basic steel negotiating units do not appear to be consistent participants in the wage increase pattern. Dosco, Sydney, participated in one year (1960) ; Dosco, Montreal, participated in one year (1963) ; and Manitoba Rolling Mills participated in one year (1959). Elec.-Met. at Welland did not participate in any year.

A complete record of wage increases in basic steel from 1958-1964, showing the amount of increase and the date increase was granted, is given in Table B, Appendix B.

Some Major Conclusions

1. Since 1939, the collective bargaining policies of the United Steelworkers in the Canadian basic steel industry have been directed towards the establishment of industry-wide contract uniformity – uniformity in basic labour rates, rate uniformity between similar jobs, and uniformity in other substantive issues such as hours of work, shift differentials, pensions, union security, Sunday premiums, and a job classification system.

2. Union efforts towards uniformity in basic steel were greatly assisted through the Federal Government's wartime wage control and dispute settlement procedures. While wartime wage control dictated that negotiations be carried out separately for each firm (a procedure which did not complement the union's uniformity objectives), the wartime dispute settlement procedures permitted negotiations to take place on an industry-wide basis (a procedure which did complement the union's uniformity objectives).

3. By 1946, the union had reached its basic steel objective of a uniform basic labour rate and had made strides towards uniformity in other job classes.

4. In postwar negotiations the union attempted to maintain the uniformity gained during the war years by applying pattern bargaining throughout the basic steel industry. This attempt met with considerable success.

5. In 1952, the union was able to further its objective of rate uniformity between job classes in basic steel through the introduction of its co-operative wage study plan to the industry. In 1954, the union had reached its objectives of a uniform basic labour rate and rate uniformity between similar job classes.

APPENDIX A — TABLE 1
Selected Contract Provisions in Canadian Basic Steel, 1948 - 1964
Contract Provisions

<i>Year</i>	<i>Firm</i>	<i>Basic Labour Rate</i>	<i>Hours</i>	<i>C.W.S. Plan</i>	<i>Increment</i>	<i>Statutory Holidays</i>	<i>Shift Differential</i>	<i>Remarks</i>
1948	Stelco	.94	48			6		
	Algoma	.94	48			6		
	Dosco	.84	48			6		
1949	Stelco	1.04	44			8		
	Algoma	1.04	44			8		
	Dosco	1.04	44			8		
1950	Stelco	1.12	40					
	Algoma	1.12	40					
	Dosco	1.06½	40					
1951	Stelco	1.27	40				3/5	
	Algoma	1.27	40	yes	3½		3/5	
	Dosco	1.20	40				no	
1952	Stelco	1.43½	40	yes	4		5/7	
	Algoma	1.43½	40		4		5/7	
	Dosco	1.40½	40	yes	4		3/5	
1953	Dosco	1.43½	40	yes	4		3/5	
1954	Stelco	1.48½	40	yes	4		5/7	For first time rates same in all three plants.
	Algoma	1.48½	40	yes	4		5/7	
	Dosco	1.48½	40	yes	4		3/5	
1955	Stelco	1.55½	40	yes	4½		6/8	
	Algoma	1.53½	40	yes	5		6/8	
	Dosco	1.48½	40	yes	4		5/7	
1956	Stelco	1.65½	40	yes	5		7/9	Dosco differ- ential set at 6¢ an hour.
	Algoma	1.63½	40	yes	5½		7/9	
	Dosco	1.56½	40	yes	5		6/8	

APPENDIX A — TABLE 1 (Continued)
Selected Contract Provisions in Canadian Basic Steel, 1948 - 1964

<i>Year</i>	<i>Firm</i>	<i>Basic Labour Rate</i>	<i>Hours</i>	<i>C.W.S. Plan</i>	<i>Increment</i>	<i>Statutory Holidays</i>	<i>Shift Differential</i>	<i>Remarks</i>
1957	Stelco	1.73½	40	yes	5½		7/9	
	Algoma	1.71½	40	yes	6		7/9	
1958	Dosco	1.67½	40	yes	5½		6/8	
	Stelco	1.78½	40	yes	5.6		7/9	
	Algoma	1.78½	40	yes	6		7/9	
	Dosco	1.74½	40	yes	6		6/8	
1959	Stelco	1.85½	40	yes	5.8		7/9	
	Algoma	1.85½	40	yes	6		7/9	
	Dosco	1.79½	40	yes	6		6/8	
1960	Stelco	1.95½	40	yes	6		7/9	
	Algoma	1.95½	40	yes	6		7/9	
	Dosco	1.89½	40	yes	6		6/8	
1961	Stelco	2.00	40	yes	6		7/9	
	Algoma	2.00	40	yes	6		7/9	
	Dosco	1.95½	40	yes	6		6/8	
1963	Stelco	2.05	40	yes	6½		7/9	
	Algoma	2.05	40	yes	6½		7/9	
	Dosco	1.95½	40	yes	6		6/8	
1964	Stelco	2.15	40	yes	6½		9/11	
	Algoma	2.15	40	yes	6.7		9/11	
	Dosco	2.00	40	yes	6		6/8	
1965	Stelco	2.20	40	yes	6.7		9/11	
	Algoma	2.20	40	yes	6.7		9/11	
	Dosco	2.00	40	yes	6			

APPENDIX B — TABLE A

Wage Increase Received by Each Negotiating Unit, 1958-1965

<i>Section and Negotiating Unit</i>	<i>1958</i>	<i>1959</i>	<i>1960</i>	<i>Year and Increase</i>		<i>1963</i>	<i>1964</i>	<i>1965</i>
				<i>1961</i>	<i>1962</i>			
				<i>(cents)</i>				
Primary Iron and Steel								
Stelco, Hamilton	5	7	10	4½	4	5	10	5
Stelco, Notre Dame	5	7	10	4½	4	5	10	5
Algoma, Sault Ste. Marie	7	7	10	4½	4	5	10	5
Can. Tube, Montreal	5	7½	3	4	2	5	4	6
Dosco, Sydney		5	10	6	nil	nil	4½	
Manitoba Rolling, Selkirk		7	5	nil	nil	nil	8	6
Elect.-Met., Welland		6	6	7	5	5	5	
Agricultural Machinery								
Massey Ferguson	14	8	8	6	6	6	14	6
International Harvester		5	6	6	4	5	4	
Cockshutt, Brantford		9	10	11	6	6	6	
Iron Castings								
Dominion Bridge		7	4	4	nil	nil	7	6
Canadian Bridge		4	4½	5	5	nil	nil	
Canadian Steel Foundries		7	4	4	3	nil	7-13	
Fittings Ltd.	5	9	3	nil	6	5	8	
Crane Ltd.		6	5	4	4	nil	12	6

APPENDIX B—TABLE A (Continued)

Wage Increase Received by Each Negotiating Unit, 1958-1965

<i>Section and Negotiating Unit</i>	<i>1958</i>	<i>1959</i>	<i>1960</i>	<i>Year and Increase 1961 1962 (cents)</i>		<i>1963</i>	<i>1964</i>	<i>1965</i>
Machinery N.E.C.								
Outboard Marine		17	nil	9	5	5	6	6
Dominion Engineering		nil	6	5	8	5	nil	5
Canada Iron Foundries		7	9	nil	7	5	3	
John Inglis		7	7	7	5	nil	5	
Stelco (Canada Plant)	5	7	10	4½	nil	5	10	5
Sheet-Metal Products								
American Can Co.	8	8½	7	7	7	nil	6	
Continental Can Co.	11½	11½	5	7	7	nil	6	
Continental Can Co. (Montreal)		7	7	7	nil	3	3	
General Steel Works	8	5	3	5	4	3	6	3
Page Hersey		6	3	6	7	6	6	
Standard Tube		4	5	5	nil	4	4	4

Source : *Contract Analysis Working Papers.*

APPENDIX B — TABLE B
Record of Wage Increases Granted, 1958 - 1964
Primary Iron and Steel — Sample Negotiating Units

<i>Negotiating Unit</i>	<i>Increases</i>				<i>Date of Signing and Length</i>
Stelco, Hamilton	1.	5 ¢	effective	Aug. 1/58	Agreement signed Nov. 6/58 for Aug. 1/58 to July 31/61
		7 ¢	effective	Aug. 1/59	
		10 ¢	effective	Aug. 1/60	
	2.	4½ ¢	effective	Aug. 1/61	Agreement signed Jan. 23/62 for Aug. 1/61 to July 31/64
		4 ¢	effective	Aug. 1/62	
		5 ¢	effective	Aug. 1/63	
	3.	10 ¢	effective	Aug. 1/64	Agreement signed Jan. 6/65 for Aug. 1/64 to July 31/66
		5 ¢	effective	Aug. 1/65	
Algoma, Sault Ste. Marie	1.	7 ¢	effective	Aug. 1/58	Agreement signed Oct. 17/59 for Aug. 1/58 to July 31/61
		7 ¢	effective	Aug. 1/59	
		10 ¢	effective	Aug. 1/60	
	2.	4½ ¢	effective	Aug. 1/61	Agreement signed Dec. /61 for Aug. 1/61 to July 24/64
		4 ¢	effective	Aug. 1/62	
		5 ¢	effective	Aug. 1/63	
	3.	10 ¢	effective	Aug. 1/64	Agreement signed Feb. 1/65 for Aug. 1/64 to July 31/66
		5 ¢	effective	Aug. 1/65	
Elec.-Met., Welland	1.	6 ¢	effective	April 1/59	Agreement signed May 27/59 for April 1/59 to March 31/61
		6 ¢	effective	April 1/60	
		7 ¢	effective	April 1/61	
	2.	5 ¢	effective	April 1/62	Agreement signed June 25/62 for April 1/62 to March 31/65
		5 ¢	effective	April 1/63	
		5 ¢	effective	April 1/64	
Dosco, Sydney	1.	5 ¢	effective	Aug. 2/59	Agreement signed Sept. 12/59 for Aug. 1/59 to July 31/62
		10 ¢	effective	July 31/60	
		6 ¢	effective	July 30/61	
	2.	4½ ¢	effective	Aug. 2/64	Agreement signed July 27/63 for Aug. 1/62 to July 31/65

APPENDIX B — TABLE B (Continued)

<i>Negotiating Unit</i>	<i>Increases</i>				<i>Date of Signing and Length</i>
Stelco, Notre Dame	1.	5 ¢	effective	Aug. 1/58	Agreement signed Jan. 5/59 for Aug. 1/58 to July 31/61 Same settlement as Stelco, Hamilton
		7 ¢	effective	Aug. 1/59	
		10 ¢	effective	Aug. 1/60	
	2.	4½ ¢	effective	Aug. 1/61	Agreement signed Feb. 2/62 for Aug. 1/61 to July 31/64 Same settlement as Stelco, Hamilton
		4 ¢	effective	Aug. 1/62	
		5 ¢	effective	Aug. 1/63	
	3.	10 ¢	effective	Aug. 1/64	Agreement signed Jan. 21/65 for Aug. 1/64 to July 31/66
		5 ¢	effective	Aug. 1/65	
Can. Tube, Montreal	1.	5 ¢	effective	Aug. 6/58	Agreement signed Sept. 28/58 for Aug. 6/58 to Aug. 6/60
		3½ ¢	effective	Aug. 6/59	
		4 ¢	effective	Nov. 6/59	Agreement signed May 10/61 for Aug. 6/60 to Aug. 6/63
		3 ¢	effective	April 6/60	
	2.	2 ¢	effective	May 8/61	Agreement signed April 15/64 for Aug. 6/63 to Aug. 6/66
		2 ¢	effective	Nov. 6/61	
		2 ¢	effective	May 1/62	
		1 ¢	effective	Feb. 1/63	
	3.	4 ¢	effective	Aug. 6/63	
		4 ¢	effective	Aug. 1/64	
		6 ¢	effective	July 1/65	
Manitoba Rolling, Selkirk	1.	4 ¢	effective	April 16/59	Agreement signed Dec. 8/59 for April 16/59 to April 15/60
		3 ¢	effective	Nov. 15/59	
	2.	5 ¢	effective	Nov. 25/60	Agreement signed Nov. 25/60 for Nov. 25/60 to Nov. 24/62
	3.	8 ¢	effective	May 17/64	Agreement signed May 25/64 for May 17/64 to May 16/66
		6 ¢	effective	May 17/65	

Source : *Contract Analysis Working Papers.*

6. Throughout the postwar period, the union has considered the basic steel settlement as the « key » or « pattern » settlement for negotiations in the « non-basic steel section » of the industry. However, the extent to which the union has actually succeeded in extending this pattern to « non-basic steel sections » is quite limited.

7. The record of bargaining in Canadian basic steel illustrates that a union has more than one method of reaching uniformity in contract terms. In basic steel, the alternative of enlarging the negotiating unit to industry-wide bargaining or company-wide bargaining met with limited success. On the other hand, the alternative of pattern bargaining met with considerable success. This conclusion is of particular importance in that it demonstrates that there are alternative methods a union may use to obtain uniformity of contract terms.

8. While collective bargaining in Canadian basic steel is « fragmented » (i.e., carried out on a one-establishment/one-local basis), there is considerable uniformity in negotiated settlements. As a result, those who claim there is little uniformity in contract settlements because collective bargaining in Canada is « fragmented » will find little support for their contention in Canada's basic steel industry.

LA NÉGOCIATION COLLECTIVE DANS L'INDUSTRIE CANADIENNE DU FER ET DE L'ACIER : 1939-1964

Dans sa publication de 1948, *Trade Union Wage Policy*, Arthur M. Ross attirait l'attention autour de l'impact des salaires définis par voie de négociation collective sur les théories traditionnelles de détermination des salaires¹. La raison principale de cet intérêt provient de l'incapacité de la théorie actuelle à fournir des réponses satisfaisantes aux cinq questions suivantes.

1. Comment se fait-il que l'importance du mouvement relatif des salaires soit plus cruciale que le salaire qui en résulte ?
2. Pourquoi les taux de salaires ne sont-ils pas égalisés sur le marché local du travail ?
3. Comment expliquer les fréquents arrêts de travail consécutifs à des différences mineures, pour ne pas dire ridicules entre les parties ?
4. Pourquoi plusieurs syndicats insistent-ils sur l'uniformité du taux de salaire pour toute leur unité de juridiction lorsque la théorie économique suggère qu'en situation de monopole, il est possible de maximiser le revenu en faisant de la discrimination entre les acheteurs ?
5. Pourquoi cet effort par les syndicats de consolider leurs structures de négociation ?

¹ Voir les références à l'original anglais.

Toutes ces questions reflètent les relations entre les taux de salaire occupationnels ou entre le résultat de deux différentes négociations de salaires. De façon plus globale, elles mettent en évidence le caractère et la fonction de deux tendances « égalisantes » dans la détermination des salaires par négociation collective. Dans la théorie économique traditionnelle, il n'y a pas de réponse à ce problème.

Il y a très peu d'études qui fournissent une réponse satisfaisante malgré tous les travaux qui ont été faits. Cependant, on a beaucoup plus insisté sur l'identification et la description des processus institutionnels qui causent ces tendances « égalisantes ». De façon générale, trois approches sont utilisées :

- a) la coopération entre employeurs ² ;
- b) la négociation-type ³ ;
- c) l'élargissement des unités de négociation ⁴.

Jusqu'à quel point les conclusions présentées pour la situation américaine sont-elles valables pour la négociation collective canadienne ?

L'industrie canadienne du fer et de l'acier fut l'une des industries considérées pour étude du cas canadien. Dans ce cas précis, l'existence de ces tendances « égalisantes » serait le résultat de négociations-type ou de la coopération entre employeurs ; probablement plus le premier facteur que le second. Contrairement au cas américain, l'industrie canadienne du fer et de l'acier n'a connu aucun élargissement d'unité de négociation. Presque toute la négociation dans cette industrie est faite au niveau local.

Quelques conclusions

1. Depuis 1939, la politique de négociation collective des Métallurgistes s'est dirigée vers l'établissement de conventions uniformes à travers l'industrie.
2. Les efforts syndicaux dirigés vers l'uniformisation de l'industrie de l'acier ont été secondés par les contrôles de salaire du gouvernement fédéral durant la dernière guerre.
3. En 1946, les syndicats atteignaient leur objectif d'uniformité des taux de salaire de base et étaient en voie de l'atteindre pour les autres classes d'emploi.
4. La négociation-type d'après-guerre a contribué à conserver l'uniformité acquise durant le conflit mondial.
5. L'effort d'extension de l'uniformité des taux de salaire par le « Cooperative Wage Study Plan » a échoué en 1952. Deux ans plus tard, on obtenait l'uniformité pour des classes similaires d'emploi.
6. Le succès dans l'industrie de l'acier primaire a été le modèle syndical de négociation dans les secteurs de l'acier non-primaire. Cependant le succès fut très limité.
7. L'échec relatif de la tentative d'étendre des unités de négociation dans les industries canadiennes de l'acier primaire et le succès marqué de la négociation-type indiquent qu'il n'y a pas qu'une méthode dont un syndicat puisse se servir pour obtenir l'uniformité dans les conventions collectives.
8. Dans le cas canadien, la négociation est fragmentée mais en même temps on retrouve une grande uniformité entre les différents accords. Il n'y a donc pas de preuve solide à la cause de ceux qui relient directement l'un à l'autre dans l'industrie canadienne de l'acier primaire.